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Nanette S. Edwards
Chief Counsel and Director of Legal Services

April 12, 2010

VIA EMAIL AND HAND DELIVERY

The Honorable Jocelyn G. Boyd
Interim Chief Clerk / Administrator
Public Service Commission
101 Executive Center Drive
Columbia, South Carolina 29210

RE: Request for Allowable Ex Parte Briefing Regarding Final Report on the Management Review Audit of Utilities, Inc.

Dear Mrs. Boyd:

The Office of Regulatory Staff ("ORS") does not oppose a briefing to the Public Service Commission ("Commission") of the Management Review Audit. However, ORS is concerned that such briefing should not occur prior to the Commission's ruling in Docket No. 2009-479-WS, which involves United Utility Companies, Inc., ("UUCI") a subsidiary of Utilities, Inc. ("UI").

It is our understanding that the scope of the briefing would be to address the recommendations made in the Management Audit and would focus on the recommendations that (a) have been acted upon by UI, (b) are in the process of being acted upon by UI, (c) have not been acted upon, but would be considered for action by UI, and (d) will not be acted upon by UI. The further suggestion was made that this briefing should be conducted in advance of hearings currently scheduled in Docket No. 2009-473-WS, which involves the application of Tega Cay, a subsidiary of UI, for a rate increase.

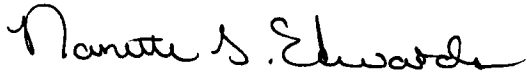
At least one recommendation contained in the Management Review Audit was discussed during the UUCI night hearing in Simpsonville, South Carolina and at the merits hearing in Columbia. Testimony regarding Project Phoenix has been offered to the Commission. Costs associated with Project Phoenix are an issue in UUCI and will be an issue in Docket No. 2009-473-WS.

Finally, ORS would note that S.C. Code Ann. § 58-3-260 makes no provision for a briefing after a hearing has been held in a matter but prior to a ruling.

For these reasons, any such briefing must occur at least twenty business days prior to the hearings in Docket No. 2009-473-WS and after a ruling has been made in Docket No. 2009-479-WS.

Thank you for your consideration.

Very truly yours,

A handwritten signature in black ink, appearing to read "Nanette S. Edwards". The signature is fluid and cursive, with the first name "Nanette" being more prominent than the last name "Edwards".

Nanette S. Edwards

cc: Parties of Record in Docket Nos. 2009-479-WS and 2009-473-WS